

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS  
AGREED-UPON PROCEDURES ENGAGEMENT  
OF THE  
KNOX COUNTY  
PROPERTY VALUATION ADMINISTRATOR**

**For The Period  
July 1, 2008 Through June 30, 2009**



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Independent Accountant's Report

Jonathan Miller, Secretary, Finance and Administration Cabinet  
The Honorable William S. Oxendine, Jr.  
Knox County Property Valuation Administrator  
Knox County, Kentucky

We have performed the procedures enumerated below, which were agreed to by the Knox County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 1, 2008 through June 30, 2009. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Knox County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure Applied-

Determine if the PVA has a receipt ledger, a disbursement ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (June 30, 2009), for all bank accounts, to determine if amounts are accurate.

Finding-

The PVA has a receipt ledger, a disbursement ledger, and reconciles bank records to books each month. Auditor re-performed the year-end bank reconciliation (June 30, 2009), for all bank accounts, and determine that the amounts were accurate.

2. Procedure Applied-

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding-

Auditor reviewed the list of city receipts. We confirmed all payments by the cities to the PVA then compared the recorded city receipts to the confirmed payment amounts obtained from the city governments. We determined that the amounts recorded by the PVA as city receipts were complete and accurate.



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3. Procedure Applied-

Compare any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding-

Auditor confirmed all payments made by the fiscal court to the PVA. We compared the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. The fiscal court payments were traced from the fiscal court statutory contribution budget account to the PVA's local bank account.

4. Procedure Applied-

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (If Any) to determine if expenditures are for official business.

Finding-

Auditor judgmentally selected 15 disbursements from the PVA's records and agreed the amounts to the cancelled checks, paid invoices or other supporting documentation. We determine the expenditures were for official business. We reviewed all credit card statements and determined expenditures were for official business.

5. Procedure Applied-

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if Assets were added to the PVA's Capital Asset Inventory List.

Finding-

Auditor reviewed cancelled checks and disbursements ledger for capital outlay disbursements. For the fiscal year ended June 30, 2009 there were no capital outlay expenditures. Therefore, there were no assets added to the PVA's Capital Asset Inventory List.

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Knox County Property Valuation Administrator  
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6. Procedure Applied-

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding-

Auditor scanned lease agreements, personal service contracts and professional service contracts for cost schedules. We compared the costs listed to actual payments. We determined services received were appropriate, for official business, and properly authorized.

7. Procedure Applied-

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding-

Auditor compared the PVA's final budget to actual expenditures. We determined that the PVA did not overspend in any account series.

8. Procedure Applied-

Determine whether collateral is necessary for the PVA's funds. If necessary determine if a collateral agreement exists.

Finding-

Auditor reviewed the PVA's bank records and determined that collateral was not necessary for the PVA's funds.

9. Procedure Applied-

Determine whether timesheets are completed, maintained, approved, and support hours worked.

Finding-

Auditor determine that timesheets are completed, maintained, and appear to support hours worked. However, sign-in sheets did not always agree to the time sheets and not all time sheets were approved as evidenced by the signature or initials of the PVA.

*PVA's Response-*

*We were not aware they needed to be signed as they are submitted to Revenue for approval.*

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Knox County Property Valuation Administrator  
(Continued)

10. Procedure Applied-

Determine whether cash balances were properly transferred from former PVA to new PVA.

Finding-

Procedure not applied. No cash balances were transferred since there was no change in PVA.

11. Procedure Applied-

For newly hired employees, during July 1, 2008 through June 30, 2009, of the PVA office determine if the Ethics Certification Form has been completed and is on file.

Finding-

Procedure not applied. The PVA did not hire any new employees during the period July 1, 2008 through June 30, 2009.

12. Procedure Applied-

Determine if the PVA's office was closed any day other than the state's approved holidays. If so, determine if the proper procedures and forms were completed.

Finding-

The PVA's office was closed several days other than the state's approved holidays. Auditor determined that proper procedures and forms were completed.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



Crit Luallen  
Auditor of Public Accounts

June 2, 2010